

## Message Text

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PAGE 01 ROME 08666 171806Z

44

ACTION EB-07

INFO OCT-01 EUR-12 EA-10 ISO-00 AID-05 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 USIA-15 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 DODE-00 PM-03 H-02 L-03 PA-02 PRS-01 /114 W

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P R 171526Z JUN 75

FM AMEMBASSY ROME

TO SECSTATE WASHDC PRIORITY 1606

INFO AMEMBASSY BERN

AMEMBASSY BONN

AMEMBASSY BRUSSELS

USMISSION EC BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMCONGEN MILAN

AMCONGEN NAPLES

AMEMBASSY OTTAWA

USMISSION OECD PARIS

AMEMBASSY PARIS

AMEMBASSY STOCKHOLM

AMEMBASSY TOKYO

TREASURY DEPT WASHDC PRIORITY

UNCLAS ROME 8666

E.O. 11652: N/A

TAGS: EFIN IT

SUBJ: NET FOREIGN DEBT POSITION OF ITALIAN COMMERCIAL BANKS-  
REVOCATION OF CEILING ESTABLISHED JULY 19, 1974

REF: ROME 10164 DATED JULY 24, 1974

1. MILAN FINANCIAL DAILY 24 ORE REPORTED ON JUNE 17 THAT  
ITALIAN EXCHANGE OFFICE HAD ISSUED COMMUNIQUE TO ALL ITALIAN  
COMMERCIAL BANKS PROVIDING, EFFECTIVE IMMEDIATELY, FOR  
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PAGE 02 ROME 08666 171806Z

REVOCATION OF CURRENT CEILING ON BANKS' NET FOREIGN DEBT POSITION .

CEILING HAD PREVIOUSLY BEEN PUT INTO EFFECT AS OF JULY 19, 1974.  
UIC COMMUNIQUE REAFFIRMS CURRENT REQUIREMENT THAT COMMERCIAL  
BANCKS BALANCE THEIR POSITIONS IN THREE SEPARATE CURRENCY  
AREAS: DOLLAR, EC CURRENCIES, AND ALL OTHER CURRENCIES.

2. MACIMUM END-MOTH LEVEL FOR BANKS' FOREIGN DEBT DURING 1974  
WAS REACHED ON JUNE 30, 1974 IN THE AMOUNT OF 1,422 BILLION  
LIRE (\$2,197 MILLION). MOST RECENT FIGURE AVAILABLE IS THAT  
OF MARCH 31, 1975 WHICH SHOWS DECLINE IN THIS DEBT TO AMOUNT  
OF 910 BILLION LIRE (\$1,426 MILLION).

3. /COMMENTS/: FINANCIAL PRESS VIEWS ITALIAN EXCHANGE OFFICE'S  
DECISSION POSITIVELY SINCE: (1) INCREASE IN DEMAND FOR FOREIGN  
FINANCING BY ITALIAN BANKS SHOWS REVIVAL IN ITALY'S FOREIGN  
TRADE; (2) PERMISSION FOR BANKS TO INCREASE THEIR NET  
FOREIGN DEBT IMPLIES THAT ITALIAN BANKS' FOREIGN CREDIT RATING  
HAS IMPROVED, (3) REVOCATION OF CEILING MAY BE VIEWED AS IN  
SUPPORT OF CURRENT LIBERALIZATION IN GOI'S DOMESTIC CREDIT  
POLICY.VOLPE

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FINANCIAL CONTROLS, DEBTS, BANKS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 17 JUN 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Number:** 1975ROME08666  
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**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750211-0127  
**From:** ROME  
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**Office:** ACTION EB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
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**Status:** NATIVE  
**Subject:** NET FOREIGN DEBT POSITION OF ITALIAN COMMERCIAL BANKS- REVOCATION OF CEILING ESTABLISHED JULY 19, 1974  
**TAGS:** EFIN, IT  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006